Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 10766 072000Z

72
ACTION COME-00

INFO OCT-01 EUR-25 ISO-00 EB-11 DRC-01 RSC-01 /039 W
---------- 036351
R 071712Z SEP 73
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 1811

LIMITED OFFICIAL USE MOSCOW 10766

E.O. 12"52: N/A
TAGS: BGEN, UR
SUBJ: BUSINESS FACILITATION IN MOSCOW

REF: A. STATE 163993; B. MOSCOW 10285

1. FOLLOWING REPLIES OBTAINED FROM OCCIDENTAL PETROLEUM COMPANY PRINCIPAL MOSCOW REPRESENTATIVE BENEDICT LISSIM ARE NUMBERED IN REFERENCE TO QUESTIONS REF A.

2. 1) TO THE PRESENT OCCIDENTAL'S MOSCOW OFFICE HAS BEEN DEALING ONLY WITH HIGH-LEVEL PEOPLE IN THE MINISTRY OF FOREIGN TRADE, MINISTRY OF CULTURE AND STATE COMMITTEE FOR SCIENCE AND TECHNOLOGY. THE COMPANY HAS FOUND NO PROBLEM IN GAINING ACCESS TO ALL THOSE WHOM IT WISHED TO CONTACT. ONE OF THE COMPANY'S SUBSIDIARIES, OXY METAL FINISHING INTRA, IS IN DIRECT CONTACT WITH SOVIET END-USERS.
2) OFFICE FACILITIES ARE ADEQUATE, THE SPACE IS SUITABLE (NATIONAL HOTEL), AND THE PREMISES ARE WELL MAINTAINED, BUT RENTAL COSTS ARE EXTREMELY HIGH ($160 PER DAY AS OF AUGUST 1). TRANSLATOR/INTERPRETERS AND SKILLED TYPISTS ARE IMPOSSIBLE TO FIND, BUT LOCAL CLERICAL EMPLOYEES ARE READY TO LEARN. THE COMPANY HAS IMPORTED ITS OWN BUSINESS MACHINES, AND IS SATISFIED WITH COMMUNICATIONS FACILITIES, INCLUDING TELEX. IN GENERAL, THE COMPANY FEELS ITS PREMISES ARE WITHIN THE TOP 10 PERCENT OF OFFICES OCCUPIED BY FOREIGN FIRMS IN MOSCOW.
3) CONDITIONS ARE ADEQUATE, BUT THE COMPANY'S EXPERIENCE IS LIMITED BECAUSE TO THE PRESENT IT HAS NOT SOUGHT LIVING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 10766 072000Z

SPACE OUTSIDE HOTELS. THUS HOUSING IS SATISFACTORY BUT VERY

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

EXPENSIVE ($50 PER DAY FOR A DOUBLE ROOM).

4) THERE HAS BEEN NO PROBLEM WITH VISAS FOR COMPANY REPRESENTATIVES RESIDENT IN MOSCOW, BUT THERE HAVE BEEN SOME DELAYS IN OBTAINING VISAS FOR EMPLOYEES WHOM THE COMPANY WISHED TO TRANSFER TO MOSCOW FROM ABROAD.

5) WHILE NO CONTRACT PROVISIONS, NEGOTIATING PROCEDURES OR BUSINESS PRACTICES ARE PARTICULARLY ONEROUS, ALL ARE DIFFICULT. THE MOST WEARISOME ASPECTS ARE THE CONSTANT SOVIET EFFORT TO OBTAIN MULTI-YEAR CONTRACT SET FIXED INTEREST RATES--THERE ARE NO ESCALATION CLAUSES.

6) A MINOR BUT ANNOYING PROBLEM HAS BEEN INSISTENCE BY SOVIET CUSTOMS OFFICIALS ON CHARGING 20 PERCENT DUTY ON EXPENDABLE OFFICE SUPPLIES. WHEN THE COMPANY HAS DISCUSSED THESE CHARGES, THE CUSTOMS PEOPLE HAVE INFORMALLY COMMENTED THAT THEY ARE IMPOSED BECAUSE THE U.S. IS NOT FULFILLING ALL ASPECTS OF ITS SIDE OF THE BARGAIN.

3. OCCIDENTAL HAS NO OBJECTION TO THE USE OF THE COMPANY'S NAME IN CONNECTION WITH THE MATERIAL SET FORTH ABOVE.

4. ALTHOUGH ALL PRINCIPAL COMPANY REPRESENTATIVES PRESENTLY RESIDING IN MOSCOW HAVE MULTIPLE-ENTRY VISAS (AND THE SECOND OF TWO CHASE MANHATTAN REPRESENTATIVES HAS ALSO BEEN GRANTED A MULTIPLE-ENTRY VISA), THE FUTURE RESIDENT REPRESENTATIVE OF GENERAL ELECTRIC, MR. LEONARD M. ZUBKO, WAS INFORMED THIS WEEK BY PROTOCOL DIVISION OF MINISTRY OF FOREIGN TRADE (TO WHICH GE ACCREDITED) THAT MULTIPLE-ENTRY VISA WOULD NOT BE AVAILABLE TO HIM. MR. ZUBKO DOES NOT WISH TO PURSUE ISSUE ACTIVELY UNTIL HE RETURNS TO LIVE IN MOSCOW IN MID-OCTOBER, BUT QUESTION SHOULD POSSIBLY BE RAISED AT APPROPRIATE MOMENT DURING JOINT COMMISSION MEETINGS.
DUBS

LIMITED OFFICIAL USE

NNN

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 07 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973MOSCOW10766
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730949/aaaabjpy.tel
Line Count: 93
Locator: TEXT ON-LINE
Office: ACTION COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. STATE 163993; B. MOSCOW 10285
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 27 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27-Sep-2001 by elyme>; APPROVED <04-Dec-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BUSINESS FACILITATION IN MOSCOW
TAGS: BGEN, UR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005